



FEDERAL ELECTION COMMISSION
WASHINGTON, D.C. 20463

RQ-2

Alec Pointevint, Treasurer
Republican National Committee-RNC
310 First Street SE
Washington, DC 20003

MAY 7 1997

Identification Number: C00003418

Reference: October Monthly Report (9/1/96-9/30/96)

Dear Mr. Pointevint:

This letter is prompted by the Commission's preliminary review of the report(s) referenced above. The review raised questions concerning certain information contained in the report(s). An itemization follows:

-Schedule A of your report (pertinent portion(s) attached) discloses a contribution(s) from an organization(s) which is not a political committee registered with the Commission. In order for your committee to accept contributions from unregistered organizations into accounts used to influence federal elections, your committee should take steps to insure that the contributor(s) used permissible funds to make the contribution(s) to avoid violating 2 U.S.C. §§441a(f) and 441b or 11 CFR §102.5(b). Under 11 CFR §102.5(b), organizations which are not political committees under the Act and choose to contribute to federal committees must either: 1) establish a separate account which contains only those funds permitted under the Act, or 2) demonstrate through a reasonable accounting method that the organization has received sufficient funds subject to the limitations and prohibitions in order to make the contribution.

If the contribution(s) in question was incompletely or incorrectly disclosed, you should amend your original report with clarifying information. In addition, please clarify whether the contribution(s) received from the referenced organization(s) is permissible. To the extent that your committee has received impermissible funds, the Commission recommends

that you transfer the impermissible funds to an account not used to influence federal elections or refund the impermissible amount(s) to the donor(s) in accordance with 11 CFR §103.3(b). In order to protect the donor's interests, the Commission recommends that you inform the contributor(s) in writing to provide the donor(s) with the option of receiving a refund or granting written authorization for a transfer to another account.

Please inform the Commission of your corrective action immediately in writing and provide a photocopy of your check for the transfer-out or refund. Should you choose to transfer-out or refund the contribution(s), the Commission will presume the funds were impermissible if no statement from your committee provides information to the contrary. Transfers-out and refunds should be disclosed on a Schedule B supporting Line 22 or 28 of the report covering the period during which the transaction was made.

Although the Commission may take further legal action concerning the acceptance of prohibited contributions, prompt action by your committee in transferring-out or refunding the amounts will be taken into consideration.

-Please clarify all expenditures made for media costs, media buys and production costs disclosed as shared administrative expenses on Schedule H4. If a portion or all of these expenditures were made on behalf of specifically identified federal candidates, this amount should be disclosed on Schedule B or F supporting Line 23 or 25 and include the amount, name, address and office sought by each candidate. 11 CFR §104.3(b)

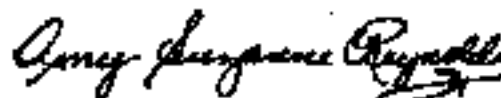
-Itemized disbursements must include a brief statement or description of why the disbursements were made. Please amend Schedule H4 of your report to clarify the following description(s): Event Costs. For further guidance regarding acceptable purposes of disbursements, please refer to 11 CFR §104.3(b)(3).

-As on several previous reports, Schedule H4 discloses payments for "shared" fundraising events which use an allocation ratio of either 100% federal or 100% non-federal as indicated on Schedule H2. The Commission notes your consistent explanation of your committee's anticipation of receiving funds into both the federal and non-federal accounts as you prepare to begin each shared fundraising effort. Please be advised that the allocation regulations exist to allow the federal account to offset its expenditures for truly shared activities. In the future, it would be in the best interest of the committee to provide the original allocation ratio estimate for any event which was determined to benefit only one account at

the end of the activity and to disclose any 100% federal disbursements on Schedule B supporting Line 21(b).

A written response or an amendment to your original report(s) correcting the above problem(s) should be filed with the Federal Election Commission within fifteen (15) days of the date of this letter. If you need assistance, please feel free to contact me on our toll-free number, (800) 424-9530. My local number is (202) 219-3580.

Sincerely,



Amy Suzanne Reynolds
Reports Analyst
Reports Analysis Division

10/2/96

TENNESSEE UNITY '96 COMMITTEE

NAME/ADDRESS	RECEIPTS		
	TOTAL AMOUNT	RNC FEDERAL ACCOUNT	TENN REP PARTY ACCOUNT
SHOWEYS PAC POLITICAL ACTION 1727 ELM PIKE NASHVILLE, TN 37210	\$1,000.00	\$500.00	\$500.00
LUCIUS E BURCH III 310 25TH AVENUE N SUITE 103 NASHVILLE, TN 37203	\$ 10,000.00	\$5,000.00	\$5,000.00
C WRIGHT PINSON OXFORD HOUSE SUITE 801 NASHVILLE, TN 37232	\$ 1,000.00	\$500.00	\$500.00
<i>add</i> { PEIZER PAC - STATE } 235 EAST 42ND STREET NEW YORK, NY 10017	\$ 1,000.00	{ \$500.00 }	\$500.00 { <i>add</i> }
MR LEONARD GRIMSTAD 3435 PESCUE LANE MEMPHIS TN 38115	\$ 1.00	\$0.50	\$0.50
TOTAL CONTRIBUTIONS	\$417,645.00	\$216,322.50	\$201,322.50
<i>add</i> { TENNESSEE UNITY '96 NON-FEDERAL ACCOUNT } 110 FIRST STREET SE WASHINGTON, DC 20003	\$34,569.73	{ \$17,284.87 }	\$17,284.86 { <i>add</i> }
TOTAL RECEIPTS	\$452,214.73	\$233,607.37	\$218,607.36

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